

The Board of Directors approves the results at 31 December 2021: a further year of growth for Iren, with Ebitda in excess of one billion (+10%), Group net profit of around 300 million and investments of around 950 million euros (+5%). Proposed dividend of 0.105 euros per share (+10.5%) anticipating the growth forecast in the business plan

The results achieved during 2021, which show EBITDA of 1,016 million euros and Group net profit attributable to shareholders of 303 million euros, in a highly challenging scenario were possible thanks to the strengthening of the multi-service business model, organic growth related to the investments made in recent years and the expansion of the scope of consolidation. In addition, the increased investments in the period were financed by cash generation, allowing the net financial debt to remain in line with last year.

Main economic-financial indicators

- **Gross Operating Margin (Ebitda)** in the amount of **1,016 million euros** (+9.6% compared to 927 million euros as at 31/12/2020)
- **Operating profit (Ebit)** in the amount of **454 million euros** (+9.3% compared to 415 million euros as at 31/12/2020)
- **Group net profit attributable to shareholders of 303 million euros** (+26.7% compared to 239 million euros as at 31/12/2020), influenced by a non-repeatable tax income of approximately 32 million euros
- **Net financial debt at 2,906 million euros** (-1.4% compared to 2,948 million euros as at 31/12/2020)

ESG and industry highlights

- **Positive ESG performances**, with differentiated waste collection at 70.3% and carbon intensity down to 323gCO₂/KWh
- The €89 million increase in EBITDA is mainly due to the following factors:
 - Overall **organic growth** of approximately 31 million euros
 - **Consolidation** of recently acquired companies (I.Blu and Unieco) equal to 24 million euros
 - **Scenario**: price effect of 23 million euros and volume effect of 18 million euros
- **Gross investments** amounted to 955 million euros (up 4.7%)
- **Employees**: +900 new recruits during 2021
- **Solid customer base** in the energy sectors (over 2 million customers), up by 126,000 compared to 31/12/2020

Investor Relations

Giulio Domma
Tel. + 39 0521.248410
investor.relations@gruppoiren.it

Media Relations

Roberto Bergandi
Tel. + 39 011.5549911
Mob. + 39 335.6327398
roberto.bergandi@gruppoiren.it

Barabino & Partners

Giovanni Vantaggi
Tel. + 39 02 72023535
Mob. + 39 328 8317379
g.vantaggi@barabino.it

Reggio Emilia, 29 March 2021 - The Board of Directors of IREN S.p.A. today approved the consolidated financial statements at 31 December 2021.

*"The difficulties of the year 2021 related to factors external to the Group, have not slowed down Iren's growth - states **Renato Boero, Chairman of Iren** - The 10% growth in EBITDA is mainly due to the effective management of the assets in the portfolio, to the skills of the over 9,000 people in the Group and to the plant equipment that is renewed every year. In addition, the M&A operations carried out during the year have enabled us to increase the Group's territorial presence in its reference areas, improving the quality of service to the benefit of local areas and municipalities".*

*"In 2021, the Iren Group's results were also supported by the growth of all the sustainability indicators - declared **Iren's Vice-President Moris Ferretti** - highlighting significant performances and confirming the great attention that the company has always dedicated to these fundamental aspects for the development of the territories in full respect of the environment and of the different actors that interact with Iren".*

*"We approved positive results today despite a very complex market context that we were able to optimise thanks to the resilience of the Group's multi-business model and the effectiveness of the actions taken to address the volatility of the energy scenario, guaranteeing our customers gas and electricity prices that are on average 30% lower than market prices. - declares **Gianni Vittorio Armani, CEO and General Manager of Iren** - The results of 2021 and the actions already implemented in the first months of 2022 confirm the validity of the strategic framework consistent with the current mainstream of the sector and anticipate the growth targets of 2022 that will also be supported by an acceleration of investments in renewables to help the country in the energy transition. Therefore, also with regard to the dividend per share, we propose a growth of 10.5% on 2021, anticipating in part what is foreseen in the Business Plan for 2022".*

IREN GROUP: CONSOLIDATED RESULTS AT 31 December 2021

Consolidated **revenues** as at 31 December 2021 amounted to 4,955.9 million euros, up +33% compared to 3,726.2 million euros in 2020. The main factors for the increase refer to higher energy revenues for approximately 1 billion euros mainly influenced by the increase in commodity prices, for approximately 120 million euros to the change in the scope of consolidation of the Waste Management business unit (relating to I.Blu, consolidated from August 2020, and to the Unieco Waste Management Division, acquired in November 2020), of the Energy business unit (related to Iren Energy Solutions and Asti Energia e Calore) and of the Market business unit (SidIren), and for about 100 million euros to the development of activities related to energy requalification and renovation of buildings favoured by recent tax breaks (façade bonus and superbonus 110%). Higher volumes sold due to climate effects and the development of the customer base also contributed to the overall change, but to a lesser extent.

Gross Operating Profit (EBITDA) amounted to 1,015.8 million euros, up (+9.6%) compared to 926.9 million euros in 2020. About 24 million euros of the increase in margin is due to the expansion of the scope of consolidation mainly of the Waste Management business unit. A positive contribution to the improvement of the margin was made by the trend of the energy scenario characterised by a sharp increase in the price of electricity compared to 2020, and the greater contribution of dispatching services (MSD). The integrated energy supply chain has enabled a balancing of the positive and negative

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Giulio Domma
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8317379
g.vantaggi@barabino.it

effects of price volatility, ensuring a significant contribution to the Group's margin. In addition, the organic growth related to the tariff increases of the network services, the development of the activities connected to the energy requalification works as well as the favourable trend of the thermal season contributed to the improvement of the gross operating margin.

Overall, the increase in margin with reference to the individual business units is broken down as follows: Waste Management (+31.6%), Energy (+30.6%), Networks (+1.7%) while the Market business unit declined (-28.9%), the latter trend being related to the increase in the Energy BU in the logic of integrated management of the energy chain.

Operating profit (EBIT) amounted to 454.1 million euros, an increase of +9.3% compared to 415.4 million euros in 2020. Amortisation and depreciation for the period rose by 37 million euros, primarily due to the start-up of new investments and expansion of the scope of consolidation, and write-downs of approximately 20 million euros were recorded, primarily relating to the assets of the Scarlino Energia plant, which are no longer operational. Lastly, there were lower provisions for impairment of receivables of approximately 8 million euros due to an improvement, compared to last year, in the estimate of the effects of the Covid-19 pandemic on expected losses.

Group net profit attributable to shareholders amounted to 303.1 million euros, up +26.7% from the result recorded in 2020. This growth is positively impacted by lower financial expenses as the average cost of debt declined to 1.7% versus 2.1% in 2020. In addition, the temporary reduction of the tax rate of 21.3% (27.1% in 2020) contributed positively to the result. The latter is influenced by non-recurring tax income mainly related to the exercise of the option on the realignment of accounting and tax values pursuant to Decree 104/20 (Decree Law "August"). Excluding this income, the tax rate would have been approximately 29%.

Net financial debt as at 31 December 2021 was 2,906 million euros, down 42 million euros from 31 December 2020 (2,948 million euros). Overall, net financial debt fell as the robust cash generation covers the high level of investments, the cash-out for the acquisitions, mainly of Futura (20%) and Sidiren and the consolidation of the related debts, amounting to 56 million euros, and the payment of dividends of 149 million euros. Also worth mentioning is the positive contribution provided by the change in the fair value of derivatives that hedge interest rate and commodity risks.

Gross investments made in the period amounted to 955 million euros, up (+4.7%) from 913 million euros in 2020, of which 85 million euros related to cash out for acquisitions made during the year.

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IREN GROUP: MAIN RESULTS BY BUSINESS AREA

(millions of Euro)	31/12/2021	31/12/2020	Change %
Revenue	4,956	3,726	32.9%
Networks BU (energy and water infrastructures)	991	1,041	-4.8%
Waste Management BU	916	765	19.8%
Energy BU (Generation, TLR, Energy Efficiency)	2,280	1,145	99.2%
Market BU	3,071	2,085	47.3%
Services and other	26	25	5.4%
Netting and adjustments	-2,328	-1,335	74.6%
Gross Operating Profit (EBITDA)	1,016	927	9.6%
Networks BU (energy and water infrastructures)	383	376	1.7%
<i>Electrical infrastructure</i>	82	79	3.0%
<i>Gas infrastructures</i>	90	85	5.3%
<i>Water infrastructures</i>	211	211	-0.2%
Waste Management BU	227	173	31.6%
Energy BU (Generation, TLR, Energy Efficiency)	298	228	30.6%
Market BU	104	147	-28.9%
<i>Electricity</i>	12	56	-77.7%
<i>Gas and other services</i>	92	91	1.1%
Services and Other	4	3	19.8%
Operating Profit (EBIT)	454	415	9.3%
Networks BU (energy and water infrastructures)	188	186	1.1%
Waste Management BU	92	50	85.2%
Energy BU (Generation, TLR, Energy Efficiency)	157	111	41.4%
Market BU	15	67	-78.0%
Services and Other	2	1	75.7%

NETWORKS (ENERGY AND WATER INFRASTRUCTURES)

Revenues from the segment amounted to 990.8 million euros, a decrease of -4.8% from 1,040.9 million euros in 2020. This contraction can be attributed to the provision of the Ministry of Ecological Transition (MITE), which reduced the quantitative obligation related to Energy Efficiency Certificates (TEEs) by a decree dated 21 May 2021. In fact, the application of the decree resulted in lower costs due to the reduction in the number of certificates purchased to meet the obligation and, at the same time, a related reduction in revenues due to the lower number of certificates delivered to the CSEA, however with positive effects on the income statement due to the difference between revenues and costs.

The **Gross Operating Profit (EBITDA)** amounted to 382.5 million euros, up +1.7% on the 375.8 million euros for 2020, while net operating profit (EBIT) was 188.1 million euros, an increase of +1.1% compared to 186.0 million euros in 2020. The trend in the operating profit (EBIT) was characterised by higher depreciation and amortisation of approximately 9 million euro, related to increased investments, higher releases of provisions for about 2 million euros and lower allocations to the provision for impairment of receivables of approximately 3 million euros, as a result of an improvement, compared to last year, in the estimate of the effects of the Covid-19 pandemic on expected losses.

During the reference period, the Group distributed 3,680 GWh of **electricity**, 1,347 million cubic metres of **gas** and 175 million cubic metres of **water**.

As at 31 December 2021, **gross investments** in the sector amounted to 308 million euros, up (+4.7%) compared to the previous year, and were allocated to the modernisation of the gas and electricity networks and the construction of the infrastructure envisaged by the Integrated Water Cycle Sector Plans, the digitalisation of activities and the development of electric mobility.

WASTE MANAGEMENT

In the Waste Management segment, **revenues** came to 916.1 million euros, up +19.8% from 764.8 million euros in 2020. The increase of 97 million euros is due mainly to the expansion of the scope of consolidation (companies in the Waste Management Division of the Unieco Group, +65 million euros and I.Blu, +32 million euros). There was also an increase in energy revenues (+48 million euros) due to the increase in the price of electricity and revenues from collection services (+19 million euros), while revenues decreased from disposal, intermediation and special waste management activities (-15 million euros) mainly due to the lower use of landfills.

Gross operating profit (EBITDA) amounted to 227.4 million euros, up +31.6% compared to 172.8 million euros in 2020. The increase in the margin is attributable not only to the change in the scope of consolidation, with an increase of approximately +22 million euros, but also to the strong improvement in energy margins following the increase in the sale price of electricity (the average PUN of 125.5 euros/MWh is in fact up 222.6% compared to 2020) and to the margins from the collection and sale of recovered materials resulting from sorted waste collection. Margins on special waste intermediation and disposal activities decreased, the latter due to reduced use of the Collegno landfill, on which maintenance and expansion works are under way.

In 2021, the waste managed amounted to over 3,646 thousand tonnes.

As at 31 December 2021, **gross investments** in the sector amounted to 164 million euros, up significantly compared to 116 million euros in 2020. Investments related to the purchase of collection vehicles and equipment and the construction of plants; in particular, the latter include the paper and plastic sorting plant in Parma, the wood treatment plant in Vercelli, the plastic sorting plant in Borgaro. The change in the scope of consolidation also contributed to the growth of investments, with particular reference to the plastic recycling plant in San Giorgio di Nogaro (I. Blu).

ENERGY (GENERATION, DISTRICT HEATING AND ENERGY EFFICIENCY)

Revenues from the Energy segment amounted to 2,280.1 million euros, an increase of +99.2% from 1,144.7 million euros in 2020. The increase in revenues reflects primarily higher sales prices for electricity (over +1 billion euros), resulting from the energy scenario, partially offset by a decrease in the amount of electricity sold (-78 million euros). Revenues from heat production are also up, due both to an increase in volumes, as a result of a more favourable heating season, and to higher sales prices, as well as revenues from activities connected with energy requalification and building restructuring favoured by recent tax breaks (around +100 million euros).

Gross operating profit (EBITDA) of the segment stood at 297.8 million euros, an increase of +30.6% compared to 228.1 million euros in previous year. The growth trend in domestic demand for electricity that had characterised the nine months of 2021 also continued in the fourth quarter and at 31 December, stood at 318.1 TWh, an increase of +5% compared with 302.8 TWh in 2020. The trend in

the energy scenario was characterised not only by rising demand and a sharp increase in electricity prices, but also by a gradual rise in the price of gas used as a raw material in generation activities. These dynamics led to a significant increase in the margins generated in all the electricity production sectors (Hydroelectric, Electric Cogeneration and Thermoelectric), also thanks to services on the Dispatching Service Market (MSD), partially absorbed by lower margins in the heat cogeneration sector, despite the greater quantities of heat produced.

The improvement compared is also supported by the energy efficiency sector which, thanks to energy requalification and building renovation activities, favoured by recent tax concessions (e.g. facade bonus and 110% superbonus), shows an improvement of approximately +9 million euros.

Total **electricity** generated during the period amounted to 9,174 GWh, down (-2.9%) compared to 9,445 GWh last year, following the drop in thermoelectric production equal to 2,337 GWh (-13.6%) and hydroelectric and renewable generation equal to 1,226 GWh (-4.5%), partially offset by the increase in cogeneration production equal to 5,610 GWh (+2.9%).

Heat generated for district heating amounted to 3,007 Gwht, up (+9.9%) respect to 2020. Overall, district heating volumes amounted to approximately 98.8 million cubic metres up +2.1% compared to approximately 96.7 million cubic metres in 2020.

As at 31 December 2021, **gross investments** of 170 million euros were made, a slight decrease (-1.2%) from the previous year. The main investments in the period included the repowering of the Turbigo thermoelectric power plant and the development of district heating networks.

MARKET

Revenues from the Market segment amounted to 3,070.9 million euros, up +47.3% from 2,084.6 million euros in 2020. Approximately +83% of the increase in revenues is due to the sharp rise in the prices of both gas and electricity, and +17% is due to the higher quantities of electricity and gas sold. Effective 1 July 2021, SidIren was acquired, which contributed approximately 14 million euros to the revenues of the Market SBU.

Gross operating profit (EBITDA) of the segment amounted to 104.4 million euros, down -28.9% compared to 147 million euros in 2020. The sharp contraction in margins is primarily attributable to electricity sales, whilst gas, partly thanks to the use of storage facilities, was less affected by the sharply rising energy scenario. The other services sector made a positive contribution to EBITDA, thanks to significant development of the services and accessory products marketed (e-mobility, boilers, energy system maintenance, etc.).

In 2021, directly marketed electricity amounted to 7,354 GWh, up (+0.8%) from the 7,296 GWh recorded in 2020. The increase in the deregulated market regarded the small business segment, with sales of 897.7 GWh (up 55.8%), and the retail segment, with sales of 1,543.9 GWh (up 20.3%), partly due to the higher quantities sold in the residential gradual protection auctions. On the other hand, sales were down in the Business segment (-9.6%) and in the Wholesale segment (-8.7%), to 2,857.1 GWh and 1,736.7 GWh, respectively. Sales in the protected market amounted to 318.3 GWh, down by -14.4% compared to 371.8 GWh in 2020.

Investor Relations

Giulio Domma
Tel. + 39 0521.248410
investor.relations@gruppoiren.it

Media Relations

Roberto Bergandi
Tel. + 39 011.5549911
Mob. + 39 335.6327398
roberto.bergandi@gruppoiren.it

Barabino & Partners

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8317379
g.vantaggi@barabino.it

In addition, 2,927 Mcm were purchased, down -3% from 3,018 Mcm in 2020 due to a decrease in marketed gas (-4.8%) and gas used for domestic consumption (-2.8%).

Gross investments of 65 million euros were made as at 31 December 2021, up +27.8% from 51 million euros in 2020.

BUSINESS OUTLOOK

The Iren Group's 2022 will be characterised by a strong acceleration in investments, which are expected to grow strongly (+50%) compared to 2021, taking advantage of various development opportunities that will make it possible to anticipate part of what was envisaged in the Industrial Plan. The latter rests its rationale on three strategic pillars that guide investment choices: ecological transition, territoriality and quality of service. The goals of the green transition are to progressively decarbonise all activities and strengthen leadership in the circular economy. With territoriality, Iren wants to extend its perimeter of activity in the reference territories and be the reference partner for local stakeholders. Finally, with service quality, Iren aims to improve the performance of network services and maximise customer satisfaction in all businesses.

In 2022, the Networks segment will be characterised by a reduction in the rate of return on invested capital (WACC), with a consequent reduction in tariff revenues offset by the increase related to the acceleration of investments made in recent years, which is positively reflected in the remunerated invested capital (RAB). Investments in the integrated water system favour an increase in purification capacity, the reuse of resources and a reduction in water losses through greater efficiency. In the electricity and gas distribution network, the objective is to increase the power supported by the former and make the latter suitable for the distribution of hydrogen mixtures, while keeping in mind the continuous improvement of service quality.

With regard to the Waste Management sector, investments will be aimed at building the waste treatment and disposal plants envisaged in the business plan and at increasing the quality of the service by extending door-to-door collection and punctual pricing. These investments, together with the complete coverage of the waste cycle (from collection to treatment and disposal), will make it possible to increase the volume of recovered material.

Regarding Energy and Market sectors, in 2022, the Group will implement a series of actions that will mitigate the impact of volatility in energy prices thanks to a hedging policy implemented with the goal of stabilising margins in the entire energy value chain. The development of the generation park will benefit from the commissioning of the new production line of the Turbigio thermoelectric plant, the consolidation of the recently acquired photovoltaic plants and the organic development of new renewable capacity, accompanied by the growth of our customer base.

Finally, the Smart Solutions sector, focussed on buildings' energy efficiency, will be able to seize the opportunities offered by government incentives related to building requalification, to the development of electric mobility and will be able to act as the main interlocutor for public administrations to ground complex urban requalification projects.

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Giulio Domma
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In relation to the international geopolitical crisis caused by the Russia-Ukraine conflict, it is currently difficult and uncertain to assess the effects and repercussions that could result from the continuation of the international crisis. In this scenario, there are two main risks to be kept under attention: the volatility of commodity prices and the contextual inflationary effect. Iren monitors the evolution of the situation on a daily basis, defining the possible risk scenarios for its activities and identifying, where possible, mitigation actions.

In addition, in order to mitigate the impact deriving from the increase in commodity prices, whose upward trend began in the fourth quarter of 2021, the government has already approved measures aimed at calming the imbalance between the prices of production and sale of electricity and gas which, according to initial estimates, will have a limited impact on the Group's profitability.

2021 SUSTAINABILITY REPORT APPROVAL

The Board of Directors of Iren approved today, at the same time as the Economic Report, the 2021 Sustainability Report, which also takes the form of a Consolidated Non-Financial Statement (NFS), pursuant to Legislative Decree no. 254/2016. The Report, which reports on the Group's economic, environmental and social performance, is a tool for monitoring the objectives of the 2030 Business Plan, which integrates sustainability among the strategic pillars of development. It is also an opportunity for discussion with the territory and all stakeholders.

During 2021, 70% of the investments incurred by the Group were allocated to sustainable projects or activities in line with the pillars of the Business Plan. As far as the **green transition** is concerned, during the year, thanks to greater heat production, carbon intensity was reduced by 3% in line with Iren's commitment to halve its impact by 2030. In addition, the recent acquisition of European Energy's photovoltaic park allows for an increase in renewable generation as early as 2022. The year 2021 also saw the start-up of biomethane production at the Cairo Montenotte and Santhia plants, further increasing energy recovery from waste. The production of biomethane is considered an important pillar in the development of the circular economy and a key element in achieving the European decarbonisation targets. Finally, we report a strong increase in green energy sold, thanks to a commercial conversion campaign that began in 2020 aimed at encouraging sustainable consumption and reducing the environmental impact of our customers.

The increase in district heating volumes by 2%, the achievement of 70.3% of separate waste collection, thanks to door-to-door collection systems and punctual pricing, and the large number of condominium reconstruction projects, supported by Superbonus 110%, Ecobonus and Bonus façades have strengthened Iren's **local presence**.

Finally, the **quality of the services** offered improved during the year, as is evident in the increase in the customer satisfaction index, which exceeds 9 tenths. As a result of districting activities, which allow for increased monitoring and early intervention, water losses were reduced to 32.6%, which is in line with the 2030 goal of 20%. In addition, Iren proceeded with the modernisation of the distribution networks, increasing the percentage of gas network in protected steel.

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8317379
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DIVIDENDS

The Board of Directors resolved to propose to the Shareholders' Meeting, to be held on 21 June, the payment of a dividend of €10.50c per share, up 10.5% on last year, which will be paid from 20 July 2022 (issuing of check on 18 July 2022 - record date 19 July 2022).

CONFERENCE CALL

The results for the year ended on 31 December 2021 will be explained today, 29 March, at 4:30 p.m. (Italian time) during a conference call with the financial community, which will also be webcast in listen-only mode on the website www.gruppoiren.it in the Investors section.

ALTERNATIVE PERFORMANCE MEASURES

This press release uses some alternative performance measures (APM) that are not included in the international accounting principles adopted by the European Union (IFRS-EU) to allow for a better assessment of the performance of the IREN Group's operating and financial performance. In accordance with the recommendations of the Guidelines published in October 2015 by ESMA, the meaning, content and basis of calculation of these indicators are set out below:

- Net invested capital (NII): determined as the algebraic sum of Fixed assets, Other non-current assets (liabilities), Net working capital, Deferred tax assets (liabilities), Provisions for risks and employee benefits, and Assets (liabilities) held for sale. This IAP is used by the Group in both internal and external documents and represents a useful measurement for the purpose of evaluating total net assets, both current and non-current, including by comparing the reporting period with those of previous periods or years. This indicator also makes it possible to conduct analyses on operating trends and to measure performance in terms of operating efficiency over time.
- Net financial debt: determined as the sum of non-current financial liabilities net of non-current financial assets and current financial liabilities net of current financial assets and cash and cash equivalents. This IAP is used by the Group in both internal and external documents and represents a useful measure of the Group's financial structure, including through comparison of the reporting period with those of previous periods or years.
- Net Working Capital (NCC): determined by the algebraic sum of Assets and Liabilities arising from current and non-current contracts with customers, Current and non-current trade receivables, Inventories, Current tax assets and payables, Miscellaneous receivables and other current assets, Trade payables and Miscellaneous payables and other current liabilities. This GPI is used by the Group in both internal and external documents and represents a useful measure of the Group's operating efficiency, including by comparing the reporting period with those of previous periods or years.
- Gross Operating Margin (EBITDA): determined as the sum of the Result before taxes, the Result of investments accounted for using the equity method, the Adjustment to the value of investments, Financial income and charges and Depreciation, amortisation and write-downs.

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8317379
g.vantaggi@barabino.it

EBITDA is explicitly shown as a subtotal in the financial statements. This IAP is used by the Group in both internal and external documents and represents a useful tool for evaluating the operating performance of the Group (both as a whole and at the level of individual Business Units), also by comparing the operating results of the reporting period with those of previous periods or years. This indicator also makes it possible to conduct analyses on operating trends and to measure performance in terms of operating efficiency over time.

- Operating result (EBIT): determined as the sum of the Result before tax, the Result from investments accounted for using the equity method, the Value adjustment of investments and Financial income and expenses. EBIT is explicitly stated as a subtotal in the financial statements.
- Free cash flow: determined by the sum of Operating Cash Flow and Cash Flow from investing activities.
- Investments: represents the sum of investments in property, plant and equipment, intangible assets and financial assets (participations), presented gross of capital grants. This GPI is used by the Group in both internal and external documents and represents a measure of the financial resources absorbed in purchases of durable goods during the period.

As required by Article 154 bis, Section 2, of the Consolidated Finance Act, Anna Tanganelli, as Corporate Accounting Documents Officer, states that the accounting information provided in this press release is consistent with the information in the supporting documents and in the Company's accounting books and other accounting records. The financial report at 31 December 2021 will be filed according to the law at the Company's registered office (Via Nubi di Magellano, 30 - Reggio Emilia) at Borsa Italiana S.p.A. and shall be available to anyone who requests it and will also be available on the Company's website at www.gruppoiren.it.

The financial statements of the IREN Group are provided below and are currently being audited.

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Giulio Domma
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INCOME STATEMENT

	thousands of euros		
	FY 2021	FY 2020 restated	Change %
Revenue			
Revenue from goods and services	4,826,741	3,537,997	36.4
Other income	129,130	188,211	(31.4)
Total revenue	4,955,871	3,726,208	33.0
Operating expenses			
Raw materials, consumables, supplies and goods	(1,990,495)	(1,021,501)	94.9
Services and use of third-party assets	(1,421,590)	(1,295,299)	9.7
Other operating expenses	(87,832)	(71,472)	22.9
Capitalised expenses for internal work	43,382	38,262	13.4
Personnel expense	(483,498)	(449,341)	7.6
Total operating expenses	(3,940,033)	(2,799,351)	40.7
GROSS OPERATING PROFIT (EBITDA)	1,015,838	926,857	9.6
Depreciation, amortisation, provisions and impairment losses			
Depreciation and amortisation	(477,890)	(440,793)	8.4
Provisions for impairment of receivables	(53,521)	(61,708)	(13.3)
Other provisions and impairment losses	(30,321)	(8,943)	(*)
Total depreciation, amortisation, provisions and impairment losses	(561,732)	(511,444)	9.8
OPERATING PROFIT (EBIT)	454,106	415,413	9.3
Financial management			
Financial income	28,173	38,372	(26.6)
Financial expense	(74,553)	(93,702)	(20.4)
Total financial income and expense	(46,380)	(55,330)	(16.2)
Share of profit (loss) of associates accounted for using the equity method	5,782	2,673	(*)
Value adjustments on equity investments	10,294	6,535	57.5
Profit (loss) before tax	423,802	369,291	14.8
Income tax expense	(90,332)	(100,006)	(9.7)
Net profit (loss) from continuing operations	333,470	269,285	23.8
Net profit (loss) from discontinued operations	-	-	-
Net profit (loss) for the period	333,470	269,285	23.8
attributable to:			
- Profit (loss) for the period attributable to shareholders	303,088	239,172	26.7
- Profit (loss) for the period attributable to non-controlling interests	30,382	30,113	0.9

(*) Change of more than 100%

The comparative figures at 31 December 2020 have been restated to take into account, at the acquisition date, as required by IFRS 3, the effects of completing the purchase price allocation to the final fair value of the assets and liabilities acquired (Purchase Price Allocation) of the companies in Unieco's Environment Division and the companies Nord Ovest Servizi and I.Blu. A number of reclassifications have also been made as a result of the first-time application of ESEF.

Investor Relations
Giulio Domma
Tel. + 39 0521.248410
investor.relations@gruppoiren.it

Media Relations
Roberto Bergandi
Tel. + 39 011.5549911
Mob. + 39 335.6327398
roberto.bergandi@gruppoiren.it

Barabino & Partners
Tel. +39 02 72023535
Giovanni Vantaggi + 39 328
8317379
g.vantaggi@barabino.it

RECLASSIFIED STATEMENT OF FINANCIAL POSITION

	thousands of euros		
	31.12.2021	31.12.2020 Restated	Change %
Non-current assets	7,020,803	6,588,256	6.6
Other non-current assets (liabilities)	(458,642)	(421,336)	8.9
Net Working Capital	(222,500)	42,155	(*)
Deferred tax assets (liabilities)	244,574	163,451	49.6
Provisions for risks and employee benefits	(728,898)	(660,823)	10.3
Assets (Liabilities) held for sale	1,144	1,285	(11.0)
Net invested capital	5,856,481	5,712,988	2.5
Equity	2,950,660	2,764,747	6.7
<i>Non-current financial assets</i>	<i>(131,766)</i>	<i>(173,736)</i>	<i>(24.2)</i>
<i>Non-current financial debt</i>	<i>3,549,612</i>	<i>3,829,543</i>	<i>(7.3)</i>
Non-current net financial debt	3,417,846	3,655,807	(6.5)
<i>Current financial assets</i>	<i>(979,612)</i>	<i>(986,843)</i>	<i>(0.7)</i>
<i>Current financial debt</i>	<i>467,587</i>	<i>279,277</i>	<i>67.4</i>
Current net financial debt	(512,025)	(707,566)	(27.6)
Net financial debt	2,905,821	2,948,241	(1.4)
Own funds and net financial debt	5,856,481	5,712,988	2.5

(*) Change of more than 100%

The comparative figures at 31 December 2020 have been restated to take into account, at the acquisition date, as required by IFRS 3, the effects of completing the purchase price allocation to the final fair value of the assets and liabilities acquired (Purchase Price Allocation) of the companies in Unieco's Environment Division and the companies Nord Ovest Servizi and I.Blu. A number of reclassifications have also been made as a result of the first-time application of ESEF.

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CASH FLOW STATEMENT

	thousands of euros		
	FY 2021	FY 2020 restated	Change %
Opening Net Financial (debt)	(2,948,241)	(2,706,127)	8.9
Profit (loss) for the period	333,470	269,285	23.8
Adjustments for non-financial movements	860,002	742,947	15.8
Utilisations of employee benefits	(10,373)	(7,096)	46.2
Utilisations of provisions for risks and other charges	(28,556)	(30,463)	(6.3)
Change in other non-current assets and liabilities	31,421	(27,363)	(*)
Taxes paid	(102,550)	(102,328)	0.2
ETS Purchase	(155,457)	(67,516)	(*)
Cash flows for transactions on commodities derivatives markets	(25,583)	(2,072)	(*)
Other changes in capital	(177)	(644)	(72.5)
Cash flows from changes in NWC	48,275	46,364	4.1
Operating cash flow	950,472	821,114	15.8
Investments in property, plant and equipment and intangible assets	(757,775)	(685,150)	10.6
Investments in financial assets	(4,488)	(50)	(*)
Proceeds from the sale of investments and changes in assets held for sale	7,011	11,289	(37.9)
Changes in consolidation scope	(80,678)	(197,472)	(59.1)
Dividends received	3,878	2,787	39.1
Total cash flows from/(used in) investing activities	(832,052)	(868,596)	(4.2)
Free cash flow	118,420	(47,482)	(*)
Cash flows of equity capital	(153,324)	(174,540)	(12.2)
Other changes	77,324	(20,092)	(*)
Change in net financial (debt)	42,420	(242,114)	(*)
Closing Net financial (debt)	(2,905,821)	(2,948,241)	(1.4)

(*) Change of more than 100%

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